

Geoff Trapp

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Not in his personal capacity, but solely in his official capacity as

Temporary Conservator of the Estate for Litigation Affairs of Clotee Downing

**UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA – SANTA ANA DIVISION**

In re:

2nd CHANCE INVESTMENT GROUP,
LLC,

Debtor

CLOTEE DOWNING, a legally
incompetent individual,

Plaintiff,

vs.

2ND CHANCE INVESTMENT GROUP
LLC, a California Limited Liability
Partnership; RAYSHWAN ANDREW
FOSTER a.k.a. RAYSHAWN FOSTER
a.k.a. RAYSHON FOSTER a.k.a.
RAYSHON BOYD, an individual; SONJA
FOSTER a.k.a. SONJA KIRK a.k.a. SONIA
PEREZ, an individual; DAVID M.
GOODRICH, an individual; DOES 1 – 100

Defendants

Case No.: 8:22-bk-12142-SC

Chapter 11 Case

Adv. Case No.: 8:23-ap- _____ -SC

COMPLAINT FOR

**1) REVOCATION OF ORDER
CONFIRMING CHAPTER 11
PLAN PURSUANT TO 11 U.S.C.
§ 1144;**

JURY TRIAL DEMANDED

1 Clotee Downing (“**Downing**”), a legally incompetent 83-year-old woman with Stage
2 7 Alzheimer’s Disease, by and through her court-appointed Conservator of Estate Geoff
3 Trapp, respectfully alleges as follows:

4 **I. SUBJECT MATTER JURISDICTION AND VENUE**

5 1. This adversary proceeding relates to the Chapter 11 bankruptcy case entitled
6 *In re 2nd Chance Investment Group LLC*, Case No.: 8:22-bk-12142-SC (“Bankruptcy
7 Case”). This Court has jurisdiction to adjudicate the issues raised in this adversary
8 proceeding under 28 U.S.C. § 1334, but pursuant to FRBP 7008, the Plaintiff cannot
9 consent to the Bankruptcy Court entering a final judgment and order.

10 2. On December 21, 2022 (the “Petition Date”), 2nd Chance Investment Group
11 LLC (“Debtor”) filed a voluntary petition for relief under chapter 11 of the Bankruptcy
12 Code, commencing the Bankruptcy Case.

13 3. On February 12, 2024, this Court entered an Order Confirming Debtor’s
14 First Amended Chapter 11 Liquidating Plan As Modified (Doc 381).

15 4. The Plaintiff brings this Adversary Proceeding under 11 U.S.C. § 1144 to
16 have that Order revoked for having been procured by fraud.

17 5. This adversary proceeding involves property worth more than \$1,000 and
18 does not involve a consumer debt. Venue in this judicial district is appropriate under 28
19 U.S.C. §§ 1409(a) and/or (c), because the Bankruptcy Case is pending in the Central
20 District of California.

21 **II. PARTIES**

22 6. Plaintiff Clotee Downing (“**Downing**”) is a legally incompetent 83-year-old
23 woman who is suffering from Stage 7 Alzheimer’s Disease.

24 7. Geoff Trapp (“**Conservator**”) has been appointed as Downing’s
25 Conservator of Estate by The Superior Court of California for the County of Los
26 Angeles, and authorized to conduct this litigation on her behalf.
27
28

1 8. Defendant 2nd Chance Investment Group LLC (“**Debtor**”) is a California
2 entity that was organized on July 29, 2016. It claims to have conducted business across
3 California and in other states.

4 9. Defendant Rayshwan Foster (“**Ray**”) is an individual who, according to the
5 Debtor’s amended plan and disclosure statement (Docket Nos. 268 and 269), owns 52%
6 of the Debtor. Ray has been telling this Court (and everyone else for the last 20 years)
7 that his first name is spelled Rayshon, but that’s a lie. Ray’s real first name is spelled
8 Rayshwan, and he’s a federally convicted cocaine trafficker (*see* [USA v. Foster \(1997\)](#) D.
9 Kans. 6-97-cr-10099; *also* [USA v. Foster \(2001\)](#) C.D. Cal 2:01-cr-00546). After being
10 released from Federal prison on 12/16/2003, Ray adopted a succession of pseudonyms,
11 including Rayshwan Foster, Rayshon Boyd, and most recently Rayshon or Ray Foster, all
12 in an apparent attempt to hide the truth about his criminal past.

13 10. Defendant Sonja Foster (“**Sonja**”) is an individual who, according to the
14 Debtor’s amended plan and disclosure statement (Docket Nos. 268 and 269), owns 48%
15 of the Debtor. Sonja is know to have previously gone by the names Sonia Foster, Sonia
16 Perez, and Sonja Kirk.

17 11. Defendant David M. Goodrich (“**Goodrich**”) is an individual who has
18 working in his personal capacity as the Chief Restructuring Office of the Debtor, subject
19 to a private employment agreement between himself and the Debtor / Ray which was
20 entered into prior to the filing of the Bankruptcy Case. Under the terms of said
21 employment agreement, Goodrich reports directly to Ray.

22 12. Does 1-100 are individuals or entities that aided, abetted, enabled or
23 otherwise assisted Ray, Sonja, Goodrich or the Debtor in causing injuries to Downing’s
24 person, property, or legal rights, or whom directly themselves caused injuries to
25 Downing’s person, property, or legal rights. Plaintiff’s Guardians either do not know the
26 true names of these Does, or have not yet been able to gather sufficient information,
27 about the facts and methods by which these Does injured Downing, to state a plausible
28 claim on Downing’s behalf under the heightened Federal pleading standards imposed by

1 *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544 (2007) and *Ashcroft v. Iqbal*, 556 U.S. 662
2 (2009) (hereinafter colloquially referred to as “*Twiqbal*”). Plaintiff therefore names these
3 individuals as Does, and will seek to file an amended complaint substituting their true
4 names, and supporting fact patterns, when she obtains sufficient information to do so.

5 **III. GENERAL ALLEGATIONS**

6 13. The Debtor, Ray, the Debtor’s Chief Restructuring Officer Defendant David
7 M. Goodrich (“Goodrich”), and the attorneys and officers of the Court who are
8 representing the Debtor, all filed multiple documents in the Bankruptcy Case – sworn
9 under penalty of perjury - claiming that the Debtor had operated a real estate “business.”

10 14. However, eight months of research into public records in multiple
11 jurisdictions, and interviews with multiple victims, has revealed that the Debtor is not and
12 has never been a legitimate entity or business. It is instead only a legal fig leaf alter ego
13 for Ray and Sonja (collectively, the “**Fosters**”), which the Fosters have used as a vehicle
14 to conduct a series of criminal real estate, mortgage, and Ponzi fraud schemes.

15 15. Furthermore, the Plaintiff has evidence that the Fosters have been
16 committing these crimes under various entity alter egos since 2005.

17 16. Multiple documents filed under penalty of perjury, have also claimed that in
18 the course of that alleged business, the Debtor acquired a lawfully vested fee simple
19 ownership interest in fourteen houses, including Downing’s home at 37472 Yorkshire
20 Dr., Palmdale, CA 93550 (“**Downing’s home**”).

21 17. The Debtor never had any lawful ownership interest in Downing’s home.
22 Instead, Ray tricked Downing into signing a grant deed agter she was already legally
23 incompetent from Stage 6 Alzheimer’s Disease. Downing lacked the legal capacity
24 necessary to consent to the transaction, so the grant deed is void ab inito.

25 18. Furthermore, the grant deed was also void as a function of law under Cal.
26 Civil Code § [1695.12](#), because Downing’s home was in foreclosure when the grant deed
27 was signed, and Ray promised Downing that he would give the home back to her after
28 she paid him \$1,000 a month for five years. A written version of this promise was

submitted on the record of this case, as part of the motion for an Order authorizing the sale of Downing's home (so the buyer had notice).

19. The Conservator is in communication with nine of the fourteen homeowners, and can report to this Court that all nine of their homes were also stolen through title fraud, and the Debtor never had any lawfully vested ownership interest in any of them.

20. Many of the creditors who received payments under the Plan were aware that the source of those funds was the sale of stolen real properties, which the Debtor never had any cognizable ownership interest in. Accordingly, said debtors did not rely on the Plan in good faith, and are therefore not entitled to keep any of the stolen goods they received.

FIRST CLAIM FOR RELIEF

(Revocation Of Order Confirming Chapter 11 Plan Pursuant To 11 U.S.C. § 1144)

21. Plaintiff re-alleges and incorporates herein by reference each and every allegation contained in the paragraphs above.

22. The entire Bankruptcy Case has been a massive bankruptcy fraud scheme.

23. The Chapter 11 Plan which this Court approved was based on the fundamental lie that the Debtor lawfully owned real properties which it did not lawfully own.

24. The Debtor's intent in asking the Court to approve that plan was to commit a massive fraud upon this Court, by fraudulently exploiting this Court and the bankruptcy code as a device by which to launder its stolen property, and allow the Fosters to escape criminal liability for their crimes.

25. The Debtor's CRO and its attorneys were both aware that the Debtor was not the lawful owner of the real properties it claimed to have a fee simple interest in, and that they were assisting the Debtor in knowingly selling stolen property.

26. These officers of the court choose to conceal these facts from the Court, and proceed with assisting the Fosters and the Debtor in committing these crimes anyway.

PRAAYER

JURY TRIAL DEMANDED

Respectfully submitted,

Geoff Trapp

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